

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

Genesis Global Holdco, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 23-10063 (SHL)

(Jointly Administered)

**STIPULATION REGARDING VALOUR INC.'S RIGHTS OF
SETOFF AND RECOUPMENT**

This stipulation and order (this “Stipulation”) is entered into on the date hereof, by and amount the above-captioned debtors and debtors in possession (collectively, the “Debtors”) and Valour Inc. (“Valour”):

RECITALS

WHEREAS, on January 12, 2022, Valour and Debtor Genesis Global Capital LLC (“GGC”) entered into that certain Master Loan Agreement (the “MLA”);

WHEREAS, pursuant to the MLA and the Loan Term Sheet dated September 9, 2022 (the “Term Sheet”), GGC loaned 6,000,000.00 USDC to Valour as an open term loan (the “Loan”) pursuant to the terms and conditions of the MLA and Term Sheet and as collateral for the Loan, Valour initially posted 362 BTC with GGC, which was later increased to 475 BTC (the “Collateral”);

WHEREAS, on January 19, 2023, each of Debtors filed a voluntary petition for relief under chapter 11 of 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”);

WHEREAS, on May 22, 2023, Valour filed a proof of claim, Claim No. 491 (the “Valour

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s tax identification number (as applicable), are: Genesis Global Holdco, LLC (8219); Genesis Global Capital, LLC (8564); Genesis Asia Pacific Pte. Ltd. (2164R). For the purpose of these Chapter 11 Cases, the service address for the Debtors is 250 Park Avenue South, 5th Floor, New York, NY 10003.

Claim”), asserting a claim against GGC in the amount of 475 BTC, secured by Valour’s right of setoff up to the total amount owed by Valour to GGC related to the Loan, including any accrued interest, fees or other obligations owed by Valour to GGC with respect to the Loan, and also expressly reserving Valour’s right of recoupment related to the Loan and Collateral;

WHEREAS, on November 28, 2023, the Debtors filed the *Debtors’ Amended Joint Chapter 11 Plan* [Docket No. 989] (the “Amended Plan”)²;

WHEREAS, on January 9, 2024, the Debtors filed a plan supplement, which contained as Exhibit M *Setoff Principles for Allowance of Certain Claims* [Docket No. 1144, Ex. M] (the “Setoff Principles”);

WHEREAS, the Valour Claim is listed as being governed by the Setoff Principles; and

WHEREAS, under the Setoff Principles, the Debtors shall file a motion (a “Setoff Motion”) with the Court to modify the stay imposed by section 362 of the Bankruptcy Code to, among other things, permit the Debtors to set off the Collateral against the amount owed by Valour to GGC under the Loan to determine the Allowed amount of Valour’s Claim against GGC.

IT IS THEREFORE STIPULATED AND AGREED, AND UPON BANKRUPTCY COURT APPROVAL HEREOF, IT IS HEREBY ORDERED that:

1. The above recitals are hereby incorporated in their entirety.
2. Notwithstanding anything to the contrary in the Amended Plan or any other bankruptcy plan filed in these chapter 11 cases (including the Amended Plan, a “Plan”) or any order confirming any Plan (a “Confirmation Order”), nothing contained in any Plan or Confirmation Order shall (i) affect, modify, or alter Valour’s rights of setoff or recoupment which are hereby explicitly preserved to the extent Valour possesses such rights or (ii) affect, modify,

² Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Amended Plan.

impair or limit the right of Valour to file a motion or other pleading with this Court seeking entry of an order authorizing Valour to exercise its rights of setoff or recoupment to the extent that Valour possesses such rights; *provided, however*, that the Debtors' and the Official Committee of Unsecured Creditors' rights and defenses with respect to the foregoing are fully preserved; and *provided further* that nothing herein shall constitute a stipulation, admission, or concession as to the existence or extent of Valour's rights of setoff or recoupment.

3. All of Valour's rights and defenses are fully preserved with respect to any Setoff Motion filed by the Debtors or Wind-Down Debtors, including the right to object to any relief sought in the Setoff Motion, as are the Debtors' and the Official Committee of Unsecured Creditors' rights and defenses with respect thereto.

4. Based on and subject to the foregoing and entry of an order by the Bankruptcy Court approving this Stipulation, Valour does not object to or otherwise oppose confirmation of the Amended Plan.

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Stipulated and agreed to by:

Dated: January 31, 2024

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Counsel for Valour Inc.

SO ORDERED THIS 9th DAY OF February, 2024

/s/ *Sean H. Lane*
HONORABLE SEAN H. LANE
UNITED STATES BANKRUPTCY JUDGE